H-4296.2			

HOUSE BILL 2892

State of Washington 55th Legislature 1998 Regular Session

By Representatives Mitchell, Fisher, K. Schmidt, Radcliff, Hankins, Zellinsky, Backlund, Skinner, Chandler, Mielke, Sherstad, Thompson and D. Sommers

Read first time 01/21/98. Referred to Committee on Transportation Policy & Budget.

- 1 AN ACT Relating to the contracting of department of transportation
- 2 services; amending RCW 41.06.150, 13.40.320, 39.29.006, 47.46.040, and
- 3 72.09.100; adding a new section to chapter 47.04 RCW; repealing RCW
- 4 41.06.380; and providing an effective date.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 <u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 47.04 RCW 7 to read as follows:
- 8 (1) For purposes of this section, the following definitions apply:
- 9 (a) "Repair" means any activity that restores or mends to a sound
- 10 or good condition by replacing or fixing after decay, injury,
- 11 dilapidation, or partial destruction has occurred.
- 12 (b) "Maintenance" means to preserve or retain in a condition of 13 good repair or efficiency.
- 14 (c) "Traffic services" means maintenance activities such as, but
- 15 not limited to, pavement striping; pavement marking; raised pavement
- 16 markers; repairing and replacing highway signage, guideposts, and
- 17 guardrails; traffic signal maintenance; and highway lighting.
- 18 (2) The department of transportation may purchase maintenance
- 19 services by contract with individuals or business entities.

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- 1 Maintenance services that may be contracted out include, but are not
- 2 limited to, roadway maintenance and repair, drainage maintenance and
- 3 slope repair, roadside and landscape maintenance, bridge and urban
- 4 tunnel maintenance, snow and ice control, traffic services, and rest
- 5 area maintenance. As prescribed in RCW 41.06.150(13), a discretionary
- 6 decision by the department to purchase maintenance services by contract
- 7 is not a bargainable issue.
- 8 (3) If the department intends to purchase maintenance services, the
- 9 department shall notify any exclusive bargaining representative who
- 10 represents any employee whose employment status will be directly
- 11 affected by such a contract. The exclusive bargaining representative
- 12 may offer alternatives to the proposed contract, and the department
- 13 must consider these alternatives in making the final decision to
- 14 contract out.
- 15 **Sec. 2.** RCW 41.06.150 and 1996 c 319 s 2 are each amended to read
- 16 as follows:
- 17 The board shall adopt rules, consistent with the purposes and
- 18 provisions of this chapter, as now or hereafter amended, and with the
- 19 best standards of personnel administration, regarding the basis and
- 20 procedures to be followed for:
- 21 (1) The reduction, dismissal, suspension, or demotion of an
- 22 employee;
- 23 (2) Certification of names for vacancies, including departmental
- 24 promotions, with the number of names equal to six more names than there
- 25 are vacancies to be filled, such names representing applicants rated
- 26 highest on eligibility lists: PROVIDED, That when other applicants
- 27 have scores equal to the lowest score among the names certified, their
- 28 names shall also be certified;
- 29 (3) Examinations for all positions in the competitive and
- 30 noncompetitive service;
- 31 (4) Appointments;
- 32 (5) Training and career development;
- 33 (6) Probationary periods of six to twelve months and rejections of
- 34 probationary employees, depending on the job requirements of the class,
- 35 except that entry level state park rangers shall serve a probationary
- 36 period of twelve months;
- 37 (7) Transfers;
- 38 (8) Sick leaves and vacations;

(9) Hours of work;

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- 2 (10) Layoffs when necessary and subsequent reemployment, both 3 according to seniority;
 - (11) Determination of appropriate bargaining units within any agency: PROVIDED, That in making such determination the board shall consider the duties, skills, and working conditions of the employees, the history of collective bargaining by the employees and their bargaining representatives, the extent of organization among the employees, and the desires of the employees;
- (12) Certification and decertification of exclusive bargaining 10 representatives: PROVIDED, That after certification of an exclusive 11 bargaining representative and upon the representative's request, the 12 13 director shall hold an election among employees in a bargaining unit to determine by a majority whether to require as a condition of employment 14 membership in the certified exclusive bargaining representative on or 15 16 after the thirtieth day following the beginning of employment or the 17 date of such election, whichever is the later, and the failure of an employee to comply with such a condition of employment constitutes 18 19 cause for dismissal: PROVIDED FURTHER, That no more often than once in each twelve-month period after expiration of twelve months following 20 the date of the original election in a bargaining unit and upon 21 petition of thirty percent of the members of a bargaining unit the 22 director shall hold an election to determine whether a majority wish to 23 24 rescind such condition of employment: PROVIDED FURTHER, That for 25 purposes of this clause, membership in the certified exclusive 26 bargaining representative is satisfied by the payment of monthly or other periodic dues and does not require payment of initiation, 27 reinstatement, or any other fees or fines and includes full and 28 29 complete membership rights: AND PROVIDED FURTHER, That in order to 30 safeguard the right of nonassociation of public employees, based on 31 bona fide religious tenets or teachings of a church or religious body of which such public employee is a member, such public employee shall 32 pay to the union, for purposes within the program of the union as 33 34 designated by such employee that would be in harmony with his or her 35 individual conscience, an amount of money equivalent to regular union dues minus any included monthly premiums for union-sponsored insurance 36 37 programs, and such employee shall not be a member of the union but is 38 entitled to all the representation rights of a union member;

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(13) Agreements between agencies and certified exclusive bargaining representatives providing for grievance procedures and collective negotiations on all personnel matters over which the appointing authority of the appropriate bargaining unit of such agency may lawfully exercise discretion. Discretionary decisions to purchase maintenance services by contract by the department of transportation is not subject to this subsection;

- (14) Written agreements may contain provisions for payroll deductions of employee organization dues upon authorization by the employee member and for the cancellation of such payroll deduction by the filing of a proper prior notice by the employee with the appointing authority and the employee organization: PROVIDED, That nothing contained herein permits or grants to any employee the right to strike or refuse to perform his or her official duties;
- (15) Adoption and revision of a comprehensive classification plan for all positions in the classified service, based on investigation and analysis of the duties and responsibilities of each such position.
- (a) The board shall not adopt job classification revisions or class studies unless implementation of the proposed revision or study will result in net cost savings, increased efficiencies, or improved management of personnel or services, and the proposed revision or study has been approved by the director of financial management in accordance with chapter 43.88 RCW.
- (b) ((Beginning July 1, 1995, through June 30, 1997, in addition to the requirements of (a) of this subsection:
 - (i) The board may approve the implementation of salary increases resulting from adjustments to the classification plan during the 1995-97 fiscal biennium only if:
- 29 (A) The implementation will not result in additional net costs and 30 the proposed implementation has been approved by the director of 31 financial management in accordance with chapter 43.88 RCW;
 - (B) The implementation will take effect on July 1, 1996, and the total net cost of all such actions approved by the board for implementation during the 1995-97 fiscal biennium does not exceed the amounts specified by the legislature specifically for this purpose; or
- 36 (C) The implementation is a result of emergent conditions.
 37 Emergent conditions are defined as emergency situations requiring the
 38 establishment of positions necessary for the preservation of the public
 39 health, safety, or general welfare, which do not exceed \$250,000 of the

1 moneys identified in section 718(2), chapter 18, Laws of 1995 2nd sp.
2 sess.

- (ii) The board shall approve only those salary increases resulting from adjustments to the classification plan if they are due to documented recruitment and retention difficulties, salary compression or inversion, increased duties and responsibilities, or inequities. For these purposes, inequities are defined as similar work assigned to different job classes with a salary disparity greater than 7.5 percent.

 (iii) Adjustments made to the higher education hospital special pay plan are exempt from (b)(i) through (ii) of this subsection.
- (c)) Reclassifications, class studies, and salary adjustments to be implemented during the 1997-99 and subsequent fiscal biennia are governed by (a) of this subsection and RCW 41.06.152;
- 14 (16) Allocation and reallocation of positions within the 15 classification plan;
 - (17) Adoption and revision of a state salary schedule to reflect the prevailing rates in Washington state private industries and other governmental units but the rates in the salary schedules or plans shall be increased if necessary to attain comparable worth under an implementation plan under RCW 41.06.155 and that, for institutions of higher education and related boards, shall be competitive for positions of a similar nature in the state or the locality in which an institution of higher education or related board is located, such adoption and revision subject to approval by the director of financial management in accordance with the provisions of chapter 43.88 RCW;
 - (18) Increment increases within the series of steps for each pay grade based on length of service for all employees whose standards of performance are such as to permit them to retain job status in the classified service;
 - (19) Providing for veteran's preference as required by existing statutes, with recognition of preference in regard to layoffs and subsequent reemployment for veterans and their surviving spouses by giving such eligible veterans and their surviving spouses additional credit in computing their seniority by adding to their unbroken state service, as defined by the board, the veteran's service in the military not to exceed five years. For the purposes of this section, "veteran" means any person who has one or more years of active military service in any branch of the armed forces of the United States or who has less than one year's service and is discharged with a disability incurred in

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- 1 the line of duty or is discharged at the convenience of the government
- 2 and who, upon termination of such service has received an honorable
- 3 discharge, a discharge for physical reasons with an honorable record,
- 4 or a release from active military service with evidence of service
- 5 other than that for which an undesirable, bad conduct, or dishonorable
- 6 discharge shall be given: PROVIDED, HOWEVER, That the surviving spouse
- 7 of a veteran is entitled to the benefits of this section regardless of
- 8 the veteran's length of active military service: PROVIDED FURTHER,
- 9 That for the purposes of this section "veteran" does not include any
- 10 person who has voluntarily retired with twenty or more years of active
- 11 military service and whose military retirement pay is in excess of five
- 12 hundred dollars per month;
- 13 (20) Permitting agency heads to delegate the authority to appoint,
- 14 reduce, dismiss, suspend, or demote employees within their agencies if
- 15 such agency heads do not have specific statutory authority to so
- 16 delegate: PROVIDED, That the board may not authorize such delegation
- 17 to any position lower than the head of a major subdivision of the
- 18 agency;
- 19 (21) Assuring persons who are or have been employed in classified
- 20 positions before July 1, 1993, will be eligible for employment,
- 21 reemployment, transfer, and promotion in respect to classified
- 22 positions covered by this chapter;
- 23 (22) Affirmative action in appointment, promotion, transfer,
- 24 recruitment, training, and career development; development and
- 25 implementation of affirmative action goals and timetables; and
- 26 monitoring of progress against those goals and timetables.
- 27 The board shall consult with the human rights commission in the
- 28 development of rules pertaining to affirmative action. The department
- 29 of personnel shall transmit a report annually to the human rights
- 30 commission which states the progress each state agency has made in
- 31 meeting affirmative action goals and timetables.
- 32 **Sec. 3.** RCW 13.40.320 and 1997 c 338 s 38 are each amended to read
- 33 as follows:
- 34 (1) The department of social and health services shall establish
- 35 and operate a medium security juvenile offender basic training camp
- 36 program. The department shall site a juvenile offender basic training
- 37 camp facility in the most cost-effective facility possible and shall

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review the possibility of using an existing abandoned and/or available state, federally, or military-owned site or facility.

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- (2) The department may contract under this chapter with private companies, the national guard, or other federal, state, or local agencies to operate the juvenile offender basic training camp((, notwithstanding the provisions of RCW 41.06.380)). Requests for proposals from possible contractors shall not call for payment on a per diem basis.
- 9 (3) The juvenile offender basic training camp shall accommodate at 10 least seventy offenders. The beds shall count as additions to, and not 11 be used as replacements for, existing bed capacity at existing 12 department of social and health services juvenile facilities.
- 13 (4) The juvenile offender basic training camp shall be a structured 14 and regimented model lasting one hundred twenty days emphasizing the 15 building up of an offender's self-esteem, confidence, and discipline. 16 The juvenile offender basic training camp program shall provide participants with basic education, prevocational training, work-based 17 learning, live work, work ethic skills, conflict resolution counseling, 18 19 substance abuse intervention, anger management counseling, 20 structured intensive physical training. The juvenile offender basic training camp program shall have a curriculum training and work 21 schedule that incorporates a balanced assignment of these or other 22 23 rehabilitation and training components for no less than sixteen hours per day, six days a week. 24
 - The department shall adopt rules for the safe and effective operation of the juvenile offender basic training camp program, standards for an offender's successful program completion, and rules for the continued after-care supervision of offenders who have successfully completed the program.
- 30 (5) Offenders eligible for the juvenile offender basic training 31 camp option shall be those with a disposition of not more than sixty-32 five weeks. Violent and sex offenders shall not be eligible for the 33 juvenile offender basic training camp program.
 - (6) If the court determines that the offender is eligible for the juvenile offender basic training camp option, the court may recommend that the department place the offender in the program. The department shall evaluate the offender and may place the offender in the program. The evaluation shall include, at a minimum, a risk assessment developed by the department and designed to determine the offender's suitability

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for the program. No juvenile who is assessed as a high risk offender or suffers from any mental or physical problems that could endanger his or her health or drastically affect his or her performance in the program shall be admitted to or retained in the juvenile offender basic training camp program.

- (7) All juvenile offenders eligible for the juvenile offender basic training camp sentencing option shall spend one hundred twenty days of their disposition in a juvenile offender basic training camp. If the juvenile offender's activities while in the juvenile offender basic training camp are so disruptive to the juvenile offender basic training camp program, as determined by the secretary according to rules adopted by the department, as to result in the removal of the juvenile offender from the juvenile offender basic training camp program, or if the offender cannot complete the juvenile offender basic training camp program due to medical problems, the secretary shall require that the offender be committed to a juvenile institution to serve the entire remainder of his or her disposition, less the amount of time already served in the juvenile offender basic training camp program.
- (8) All offenders who successfully graduate from the one hundred twenty day juvenile offender basic training camp program shall spend the remainder of their disposition on parole in a division of juvenile rehabilitation intensive aftercare program in the local community. The program shall provide for the needs of the offender based on his or her progress in the aftercare program as indicated by ongoing assessment of those needs and progress. The intensive aftercare program shall monitor postprogram juvenile offenders and assist them to successfully reintegrate into the community. In addition, the program shall develop a process for closely monitoring and assessing public safety risks. The intensive aftercare program shall be designed and funded by the department of social and health services.
- (9) The department shall also develop and maintain a data base to measure recidivism rates specific to this incarceration program. The data base shall maintain data on all juvenile offenders who complete the juvenile offender basic training camp program for a period of two years after they have completed the program. The data base shall also maintain data on the criminal activity, educational progress, and employment activities of all juvenile offenders who participated in the program.

1 **Sec. 4.** RCW 39.29.006 and 1993 c 433 s 2 are each amended to read 2 as follows:

As used in this chapter:

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- 4 (1) "Agency" means any state office or activity of the executive 5 and judicial branches of state government, including state agencies, 6 departments, offices, divisions, boards, commissions, and educational, 7 correctional, and other types of institutions.
- 8 (2) "Client services" means services provided directly to agency 9 clients including, but not limited to, medical and dental services, 10 employment and training programs, residential care, and subsidized 11 housing.
- (3) "Competitive solicitation" means a documented formal process 12 13 providing an equal and open opportunity to qualified parties and culminating in a selection based on criteria which may include such 14 15 factors as the consultant's fees or costs, ability, capacity, 16 experience, reputation, responsiveness to time limitations, 17 responsiveness to solicitation requirements, quality of previous performance, and compliance with statutes and rules relating to 18 19 contracts or services.
- 20 (4)"Consultant" means an independent individual firm contracting with an agency to perform a service or render an opinion or 21 22 recommendation according to the consultant's methods and without being 23 subject to the control of the agency except as to the result of the 24 work. The agency monitors progress under the contract and authorizes 25 payment.
- 26 (5) "Emergency" means a set of unforeseen circumstances beyond the 27 control of the agency that either:
- 28 (a) Present a real, immediate threat to the proper performance of 29 essential functions; or
- 30 (b) May result in material loss or damage to property, bodily 31 injury, or loss of life if immediate action is not taken.
- 32 (6) "Evidence of competition" means documentation demonstrating 33 that the agency has solicited responses from multiple firms in 34 selecting a consultant.
- (7) "Personal service" means professional or technical expertise provided by a consultant to accomplish a specific study, project, task, or other work statement. This term does not include purchased services as defined under subsection (9) of this section. This term does include client services.

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- 1 (8) "Personal service contract" means an agreement, or any 2 amendment thereto, with a consultant for the rendering of personal 3 services to the state ((which is consistent with RCW 41.06.380)).
- 4 (9) "Purchased services" means services provided by a vendor to accomplish routine, continuing and necessary functions. This term 6 includes, but is not limited to, services acquired under RCW 43.19.190 or 43.105.041 for equipment maintenance and repair; operation of a physical plant; security; computer hardware and software maintenance; 9 data entry; key punch services; and computer time-sharing, contract programming, and analysis.
- 11 (10) "Sole source" means a consultant providing professional or 12 technical expertise of such a unique nature that the consultant is 13 clearly and justifiably the only practicable source to provide the 14 service. The justification shall be based on either the uniqueness of 15 the service or sole availability at the location required.
- 16 (11) "Subcontract" means a contract assigning some of the work of 17 a contract to a third party.
- 18 **Sec. 5.** RCW 47.46.040 and 1995 2nd sp.s. c 19 s 3 are each amended 19 to read as follows:
- (1) All projects designed, constructed, and operated under this authority must comply with all applicable rules and statutes in existence at the time the agreement is executed, including but not limited to the following provisions: Chapter 39.12 RCW, this title, ((RCW 41.06.380,)) chapter 47.64 RCW, RCW 49.60.180, and 49 C.F.R. Part 21.
- 26 (2) The secretary or a designee shall consult with legal, 27 financial, and other experts within and outside state government in the 28 negotiation and development of the agreements.
- (3) Agreements shall provide for private ownership of the projects during the construction period. After completion and final acceptance of each project or discrete segment thereof, the agreement shall provide for state ownership of the transportation systems and facilities and lease to the private entity unless the state elects to provide for ownership of the facility by the private entity during the term of the agreement.
- The state shall lease each of the demonstration projects, or applicable project segments, to the private entities for operating purposes for up to fifty years.

(4) The department may exercise any power possessed by it to facilitate the development, construction, financing operation, and maintenance of transportation projects under this chapter. Agreements for maintenance services entered into under this section shall provide for full reimbursement for services rendered by the department or other state agencies. Agreements for police services for projects, involving state highway routes, developed under agreements shall be entered into with the Washington state patrol. The agreement for police services shall provide that the state patrol will be reimbursed for costs on a comparable basis with the costs incurred for comparable service on other state highway routes. The department may provide services for which it is reimbursed, including but not limited to preliminary planning, environmental certification, and preliminary design of the demonstration projects.

- (5) The plans and specifications for each project constructed under this section shall comply with the department's standards for state projects. A facility constructed by and leased to a private entity is deemed to be a part of the state highway system for purposes of identification, maintenance, and enforcement of traffic laws and for the purposes of applicable sections of this title. Upon reversion of the facility to the state, the project must meet all applicable state standards. Agreements shall address responsibility for reconstruction or renovations that are required in order for a facility to meet all applicable state standards upon reversion of the facility to the state.
- (6) For the purpose of facilitating these projects and to assist the private entity in the financing, development, construction, and operation of the transportation systems and facilities, the agreements may include provisions for the department to exercise its authority, including the lease of facilities, rights of way, and airspace, exercise of the power of eminent domain, granting of development rights and opportunities, granting of necessary easements and rights of access, issuance of permits and other authorizations, protection from competition, remedies in the event of default of either of the parties, granting of contractual and real property rights, liability during construction and the term of the lease, authority to negotiate acquisition of rights of way in excess of appraised value, and any other provision deemed necessary by the secretary.
- 38 (7) The agreements entered into under this section may include 39 provisions authorizing the state to grant necessary easements and lease

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to a private entity existing rights of way or rights of way 1 2 subsequently acquired with public or private financing. The agreements may also include provisions to lease to the entity airspace above or 3 4 below the right of way associated or to be associated with the private entity's transportation facility. In consideration for the reversion 5 rights in these privately constructed facilities, the department may 6 7 negotiate a charge for the lease of airspace rights during the term of 8 the agreement for a period not to exceed fifty years. If, after the 9 expiration of this period, the department continues to lease these 10 airspace rights to the private entity, it shall do so only at fair market value. The agreement may also provide the private entity the 11 12 right of first refusal to undertake projects utilizing airspace owned 13 by the state in the vicinity of the public-private project.

- (8) Agreements under this section may include any contractual 14 15 provision that is necessary to protect the project revenues required to 16 repay the costs incurred to study, plan, design, finance, acquire, 17 build, install, operate, enforce laws, and maintain toll highways, bridges, and tunnels and which will not unreasonably inhibit or 18 19 prohibit the development of additional public transportation systems 20 and facilities. Agreements under this section must secure and maintain liability insurance coverage in amounts appropriate to protect the 21 project's viability and may address state indemnification of the 22 23 private entity for design and construction liability where the state 24 has approved relevant design and construction plans.
- (9) Agreements shall include a process that provides for public involvement in decision making with respect to the development of the projects.
 - (10)(a) In carrying out the public involvement process required in subsection (9) of this section, the private entity shall proactively seek public participation through a process appropriate to the characteristics of the project that assesses and demonstrates public support among: Users of the project, residents of communities in the vicinity of the project, and residents of communities impacted by the project.
- 35 (b) The private entity shall conduct a comprehensive public 36 involvement process that provides, periodically throughout the 37 development and implementation of the project, users and residents of 38 communities in the affected project area an opportunity to comment upon 39 key issues regarding the project including, but not limited to: (i)

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- Alternative sizes and scopes; (ii) design; (iii) environmental assessment; (iv) right of way and access plans; (v) traffic impacts; (vi) tolling or user fee strategies and tolling or user fee ranges; (vii) project cost; (viii) construction impacts; (ix) facility operation; and (x) any other salient characteristics.
- 6 (c) If the affected project area has not been defined, the private 7 entity shall define the affected project area by conducting, at a 8 minimum: (i) A comparison of the estimated percentage of residents of 9 communities in the vicinity of the project and in other communities 10 impacted by the project who could be subject to tolls or user fees and the estimated percentage of other users and transient traffic that 11 could be subject to tolls or user fees; (ii) an analysis of the 12 anticipated traffic diversion patterns; (iii) an analysis of the 13 potential economic impact resulting from proposed toll rates or user 14 15 fee rates imposed on residents, commercial traffic, and commercial 16 entities in communities in the vicinity of and impacted by the project; 17 (iv) an analysis of the economic impact of tolls or user fees on the price of goods and services generally; and (v) an analysis of the 18 19 relationship of the project to state transportation needs and benefits. 20 The agreement may require an advisory vote by users of and
- 22 (d) In seeking public participation, the private entity shall establish a local involvement committee or committees comprised of 23 24 residents of the affected project area, individuals who represent 25 cities and counties in the affected project area, organizations formed 26 to support or oppose the project, if such organizations exist, and 27 users of the project. The private entity shall, at a minimum, establish a committee as required under the specifications of RCW 28 29 $47.46.030((\frac{(5)}{)}))$ (6)(b) (ii) and (iii) and appointments to such 30 committee shall be made no later than thirty days after the project 31 area is defined.

residents in the affected project area.

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- (e) Local involvement committees shall act in an advisory capacity to the department and the private entity on all issues related to the development and implementation of the public involvement process established under this section.
 - (f) The department and the private entity shall provide the legislative transportation committee and local involvement committees with progress reports on the status of the public involvement process including the results of an advisory vote, if any occurs.

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(11) Nothing in this chapter limits the right of the secretary and 1 2 agents to render such advice and to make her recommendations as they deem to be in the best interests of the state 3 4 and the public.

RCW 72.09.100 and 1995 1st sp.s. c 19 s 33 are each amended to read as follows:

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It is the intent of the legislature to vest in the department the power to provide for a comprehensive inmate work program and to remove statutory and other restrictions which have limited work programs in the past. For purposes of establishing such a comprehensive program, the legislature recommends that the department consider adopting any or all, or any variation of, the following classes of work programs:

FREE VENTURE INDUSTRIES. The employer model (1) CLASS I: industries in this class shall be operated and managed in total or in part by any profit or nonprofit organization pursuant to an agreement between the organization and the department. The organization shall produce goods or services for sale to both the public and private sector.

The customer model industries in this class shall be operated and managed by the department to provide Washington state manufacturers or businesses with products or services currently produced or provided by out-of-state or foreign suppliers. The correctional industries board of directors shall review these proposed industries before the department contracts to provide such products or services. The review shall include an analysis of the potential impact of the proposed products and services on the Washington state business community and labor market.

The department of corrections shall supply appropriate security and 28 29 custody services without charge to the participating firms.

Inmates who work in free venture industries shall do so at their own choice. They shall be paid a wage comparable to the wage paid for work of a similar nature in the locality in which the industry is located, as determined by the director of correctional industries. If 34 the director cannot reasonably determine the comparable wage, then the pay shall not be less than the federal minimum wage.

36 An inmate who is employed in the class I program of correctional 37 industries shall not be eligible for unemployment compensation benefits

1 pursuant to any of the provisions of Title 50 RCW until released on 2 parole or discharged.

3 (2) CLASS II: TAX REDUCTION INDUSTRIES. Industries in this class 4 shall be state-owned and operated enterprises designed to reduce the costs for goods and services for tax-supported agencies and for 5 nonprofit organizations. The industries selected for development 6 7 within this class shall, as much as possible, match the available pool 8 of inmate work skills and aptitudes with the work opportunities in the 9 free community. The industries shall be closely patterned after 10 private sector industries but with the objective of reducing public support costs rather than making a profit. The products and services 11 of this industry, including purchased products and services necessary 12 13 for a complete product line, may be sold to public agencies, to nonprofit organizations, and to private contractors when the goods 14 15 purchased will be ultimately used by a public agency or a nonprofit 16 organization. Clothing manufactured by an industry in this class may 17 be donated to nonprofit organizations that provide clothing free of charge to low-income persons. Correctional industries products and 18 19 services shall be reviewed by the correctional industries board of directors before offering such products and services for sale to 20 private contractors. The board of directors shall conduct a yearly 21 marketing review of the products and services offered under this 22 Such review shall include an analysis of the potential 23 subsection. 24 impact of the proposed products and services on the Washington state 25 business community. To avoid waste or spoilage and consequent loss to the state, when there is no public sector market for such goods, 26 byproducts and surpluses of timber, agricultural, and animal husbandry 27 enterprises may be sold to private persons, at private sale. Surplus 28 29 byproducts and surpluses of timber, agricultural and animal husbandry 30 enterprises that cannot be sold to public agencies or to private persons may be donated to nonprofit organizations. All sales of 31 surplus products shall be carried out in accordance with rules 32 prescribed by the secretary. 33

34 Security and custody services shall be provided without charge by 35 the department of corrections.

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Inmates working in this class of industries shall do so at their own choice and shall be paid for their work on a gratuity scale which shall not exceed the wage paid for work of a similar nature in the

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- 1 locality in which the industry is located and which is approved by the 2 director of correctional industries.
- ((Subject to approval of the correctional industries board, provisions of RCW 41.06.380 prohibiting contracting out work performed by classified employees shall not apply to contracts with Washington state businesses entered into by the department of corrections through class II industries.))
- 8 (3) CLASS III: INSTITUTIONAL SUPPORT INDUSTRIES. Industries in 9 this class shall be operated by the department of corrections. They 10 shall be designed and managed to accomplish the following objectives:
- 11 (a) Whenever possible, to provide basic work training and 12 experience so that the inmate will be able to qualify for better work 13 both within correctional industries and the free community. It is not 14 intended that an inmate's work within this class of industries should 15 be his or her final and total work experience as an inmate.
- 16 (b) Whenever possible, to provide forty hours of work or work 17 training per week.
- 18 (c) Whenever possible, to offset tax and other public support 19 costs.
- Supervising, management, and custody staff shall be employees of the department.
- All able and eligible inmates who are assigned work and who are not working in other classes of industries shall work in this class.
- Except for inmates who work in work training programs, inmates in this class shall be paid for their work in accordance with an inmate gratuity scale. The scale shall be adopted by the secretary of corrections.
- 28 (4) CLASS IV: COMMUNITY WORK INDUSTRIES. Industries in this class 29 shall be operated by the department of corrections. They shall be 30 designed and managed to provide services in the inmate's resident 31 community at a reduced cost. The services shall be provided to public 32 agencies, to persons who are poor or infirm, or to nonprofit 33 organizations.
- Inmates in this program shall reside in facilities owned by, contracted for, or licensed by the department of corrections. A unit of local government shall provide work supervision services without charge to the state and shall pay the inmate's wage.

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- The department of corrections shall reimburse participating units of local government for liability and workers compensation insurance costs.
- Inmates who work in this class of industries shall do so at their own choice and shall receive a gratuity which shall not exceed the wage paid for work of a similar nature in the locality in which the industry is located.
- 8 (5) CLASS V: COMMUNITY SERVICE PROGRAMS. Programs in this class 9 shall be subject to supervision by the department of corrections. The 10 purpose of this class of industries is to enable an inmate, placed on 11 community supervision, to work off all or part of a community service 12 order as ordered by the sentencing court.
- Employment shall be in a community service program operated by the state, local units of government, or a nonprofit agency.
- To the extent that funds are specifically made available for such purposes, the department of corrections shall reimburse nonprofit agencies for workers compensation insurance costs.
- 18 <u>NEW SECTION.</u> **Sec. 7.** RCW 41.06.380 and 1979 ex.s. c 46 s 2 are 19 each repealed.
- NEW SECTION. Sec. 8. This act takes effect July 1, 1998.

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